

the quantities that CLECs demand and at an acceptable level of quality.⁷⁸⁰ In addition, access to the loop must be nondiscriminatory, and, since the ordering and provisioning of network elements has no retail analogue, the FCC will look at whether the BOC's performance offers an efficient CLEC a meaningful opportunity to compete.⁷⁸¹

To determine whether VZ-MA meets the requirements of this checklist item, the Department reviewed VZ-MA's performance data, specifically: the time interval for providing unbundled loops; whether due dates are met; whether CLECs are informed of the status of their order; and how responsive VZ-MA is in providing access to necessary support functions (e.g., maintenance and repair).⁷⁸² VZ-MA also must provide access to any functionality of the loop requested by a CLEC unless it is not technically feasible to condition the loop facility to support that requested functionality.⁷⁸³ To provide such access to loop functionality, VZ-MA may be required to condition existing loop facilities so that a CLEC may provide services not currently provided by VZ-MA. Also, the FCC has held that a BOC must provide access to unbundled loops regardless of whether the BOC uses IDLC technology or similar remote concentration

⁷⁸⁰ SBC Texas Order at ¶ 247.

⁷⁸¹ Bell Atlantic New York Order at ¶ 269.

⁷⁸² See Bell Atlantic New York Order at ¶ 270.

⁷⁸³ SBC Texas Order at ¶ 248, citing Bell Atlantic New York Order at ¶ 271.

devices for the particular loop sought by the CLEC.⁷⁸⁴

2. Overview of VZ-MA's Compliance

a. VZ-MA's Loop Offering

Through both its state-approved tariff (M.D.T.E. No. 17) and interconnection agreements, VZ-MA provisions a full range of loops (including analog and digital 2-wire and 4-wire loops) that CLECs can use to offer service such as POTS, ISDN, ADSL, HDSL, DS1, and DS3 transmission. Through July 2000, VZ-MA had provisioned over 44,000 stand-alone UNE loops, an increase from 22,500 loops at the end of February 2000.⁷⁸⁵ At the end of February 2000, VZ-MA had provisioned 1,400 loops provided as part of UNE-P.⁷⁸⁶ By August, the UNE-P number had increased to almost 12,000 loops.⁷⁸⁷ Similarly, the volume of xDSL loops VZ-MA has provisioned has increased from 5,500 by March 2000 to over 13,000 by August 2000.⁷⁸⁸ In addition, VZ-MA offers access to unbundled subloops and line sharing pursuant to

⁷⁸⁴ Id.

⁷⁸⁵ See VZ-MA Application, Appdx. A, Tab 1, ¶ 66 (Lacouture/Ruesterholz Decl.); see also VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 161-163 (VZ-MA May Checklist Aff.).

⁷⁸⁶ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶ 163 (VZ-MA May Checklist Aff.).

⁷⁸⁷ VZ-MA Application, Appdx. A, Tab 1, at ¶ 66 (Lacouture/Ruesterholz Decl.).

⁷⁸⁸ See VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶ 163 (VZ-MA May Checklist Aff.); see also VZ-MA Application, Appdx. A, Tab 1, at ¶ 95 (Lacouture/Ruesterholz Decl.).

interconnection agreements.⁷⁸⁹

Just as in New York, Massachusetts CLECs may obtain stand-alone voice grade loops from VZ-MA in three forms: (1) new loops; (2) stand-alone loops to CLECs through coordinated conversions (hot cuts); and (3) UNE-P (in which the CLEC receives the local loop, shared transport, and switching capability from the BOC, see the Department's discussion of UNE-P above in Section V.B.2.b).⁷⁹⁰

In a recently-issued Department Order, the Department directed VZ-MA to make available loops that are compatible with any xDSL service presumed acceptable pursuant to 47 C.F.R. § 51.230(a) for a CLEC's provision of advanced services.⁷⁹¹ Through VZ-MA's tariff, a CLEC may obtain a conditioned loop (i.e., a loop on which VZ-MA has removed load coils

⁷⁸⁹ D.T.E. 98-57-Phase III (September 29, 2000) ("Phase III Order"); VZ-MA Application, Appdx. A, Tab 1, at ¶¶ 113, 137 (Lacouture/Ruesterholz Decl.). Line sharing is currently available through interconnection agreements. On September 29, 2000, the Department issued its Order on VZ-MA's proposed line sharing and xDSL tariff, approving in part and denying in part, the proposed tariff. Phase III Order at 130. Once VZ-MA's compliance tariff is approved, VZ-MA will "true-up" the rates it has been charging pursuant to its interconnection agreements with the rates in the approved tariff. VZ-MA Application, Appdx. A, Tab 1, at ¶ 113 (Lacouture/Ruesterholz Decl.). Subloop unbundling is available pursuant to interconnection agreements and tariffs. On September 14, 2000, the Department allowed VZ-MA's proposed subloop unbundling tariff to go into effect, pending further investigation and subject to true-up. Id. at ¶ 137.

⁷⁹⁰ VZ-MA Application, Appdx. B, Vol. 16, Tab 194, at 1556-1558 (Transcript of Technical Session Held 11/18/99). See Bell Atlantic New York Order at ¶ 276.

⁷⁹¹ Phase III Order at 13; VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 93 (VZ-MA August Checklist Aff.).

or bridged tap) so that the CLEC may offer xDSL services over a loop that otherwise would not support this technology. VZ-MA also offers unbundled line sharing to CLECs, whereby a CLEC may provide data service over the same loop that VZ-MA provides voice service to the same end-user.⁷⁹² Upon a CLEC's request, through a line and station transfer, VZ-MA will transfer its voice customer's loop to another loop that will support a CLEC's xDSL offering over the shared loop.⁷⁹³ Finally, CLECs may order ISDN BRI loops and ADSL loops to provide IDSL and SDSL respectively.⁷⁹⁴

b. VZ-MA'S Ability to Meet CLEC Commercial Demand

VZ-MA has demonstrated its ability to handle significant increases in unbundled loop volumes to meet CLEC commercial demand for UNE loops. For example, the February 2000 stand-alone loop volumes in Massachusetts represented an increase of more than 100 percent from the September 1999 volumes. These volumes have increased an additional 80 percent by August. In January and February 2000, VZ-MA provided over 500 UNE-P loops, an increase of more than 50 percent from its September 1999 volumes. By August, VZ-MA had

⁷⁹² Phase III Order; VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 94 (VZ-MA August Checklist Aff.).

⁷⁹³ Phase III Order at 89-90.

⁷⁹⁴ VZ-MA Application, Appdx. B, Vol. 16, Tab 194, at 1556-1558 (Transcript of Technical Session Held 11/18/99).

provisioned approximately 12,000 UNE-P loops.⁷⁹⁵ In addition, from March through June 2000, VZ-MA completed over 7,000 orders for unbundled xDSL loops.⁷⁹⁶ By August, VZ-MA had provisioned over 13,000 xDSL loops.⁷⁹⁷

VZ-MA has demonstrated that its service centers are prepared to handle large volumes of orders. As mentioned above, VZ-MA has increased by 126 percent the number of personnel in its TIS OC centers to 717 (as of July 2000). The TIS OC center handles both New England and New York orders. The Regional CLEC Coordination Center ("RCCC"), which is the loop-coordination and loop-qualification center, has increased from 22 craft personnel in July 1999 to 67 as of March 2000, an increase of over 200 percent. VZ-MA indicates that the RCCC may grow to more than 240 employees by the end of 2000 just to handle New England orders, the majority of which are for Massachusetts customers.⁷⁹⁸ To ensure that staffing levels are sufficient to meet incoming volumes, VZ-MA inputs the actual and forecasted volumes into a staffing model developed by Andersen Consulting.⁷⁹⁹

⁷⁹⁵ VZ-MA Application, Appdx. A, Tab 1, at ¶ 67 (Lacouture/Ruesterholz Decl.).

⁷⁹⁶ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 96 (VZ-MA August Checklist Aff.).

⁷⁹⁷ VZ-MA Application, Appdx. A, Tab 1, at ¶ 95 (Lacouture/Ruesterholz Decl.).

⁷⁹⁸ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 163-164 (VZ-MA May Checklist Aff.); VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 50 (VZ-MA August Supplemental OSS Aff.).

⁷⁹⁹ See VZ-MA Application, Appdx. B, Vol. 34a-b, Tab 443 (VZ-MA's response to DTE-
(continued...))

In addition, VZ-MA established a dedicated field force of approximately 230 specially-trained technicians who deal only with CLEC-specific, UNE-loop products and installations. Moreover, should conditions warrant, VZ-MA states it can draw quickly from its retail force of over 1,500 technicians to meet spikes in installation demand.⁸⁰⁰ According to VZ-MA, the dedicated field forces start each day with a force-to-load level equal to or better than the force-to-load level utilized by VZ-MA's own retail special-services field force. The size of this force is monitored on a daily, weekly, and monthly basis. Each evening, the workload for the next day is calculated, assignments are given out, and where there is a shortage of technicians, technicians who have been trained to address CLEC needs are borrowed from other organizations so that the force-to-load ratio is always maintained at or better than parity.⁸⁰¹

Finally, Verizon's TIS OC has established a DSL Center in Boston to process all New England and New York xDSL and line sharing orders. The Boston center has increased the number of service representatives from 50 in March 2000, to over 120 as of September, 2000.⁸⁰² Moreover, VZ-MA has trained an additional 15 people from an outsourcing company

⁷⁹⁹(...continued)
ATT-4-13).

⁸⁰⁰ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶ 164 (VZ-MA May Checklist Aff.).

⁸⁰¹ See VZ-MA Application, Appdx. B, Vol. 16, Tab 194, at 1559-1661 (Transcript of Technical Session Held 11/18/99).

⁸⁰² VZ-MA Application, Appdx. A, Tab 1, at ¶¶ 131-132 (Lacouture/Ruesterholz Decl.).

to process just line sharing requests. According to VZ-MA, in August 2000, its Boston xDSL/Line Sharing center processed over 50,000 xDSL and line sharing LSRs for New England and New York.⁸⁰³

3. Voice-Grade Stand-Alone Loops

a. New Stand-Alone Loop Provisioning

The Department finds that VZ-MA provisions loops in quantities reasonably demanded by competitors, at an acceptable level of quality, and within a reasonable period of time. In addition, we find that VZ-MA provides new loops in substantially the same time and manner as it provides new loops to its retail customers.⁸⁰⁴

The provisioning measurements for which VZ-MA has provided data include: (1) intervals in which VZ-MA provides service; (2) percentage of missed installation appointments; and (3) installation quality. The “average offered interval” is the number of business days between the date a valid order is received and the committed due date. The “average completed interval” is the number of business days between the date a valid order is received and the actual work completion date. Finally, the “percent completed within interval” is the percentage of POTS orders for one to five lines completed within a specified number of days.⁸⁰⁵

Definitions for other provisioning metrics will be provided below.

⁸⁰³ Id.

⁸⁰⁴ See Bell Atlantic New York Order at ¶ 280.

⁸⁰⁵ VZ-MA Application, Appdx. A, Tab 3, at ¶¶ 59, 61-62 (Guerard/Canny Decl.).

i. Equivalent Access to Due Dates

Using VZ-MA's SMARTS Clock, CLECs have equivalent access to appointment dates as VZ-MA's representatives serving retail customers. This is the same system used by VZ-NY which the FCC found provided equivalent access to CLECs in New York.⁸⁰⁶ WorldCom argues that it receives longer installation intervals than VZ-MA's retail customers receive.⁸⁰⁷ VZ-MA responds that discrepancies in appointment intervals did occur after a February 2000 software release but contends that Verizon made the appropriate software corrections in April.⁸⁰⁸ Moreover, KPMG tested and confirmed the accuracy of the due date availability responses provided by the SMARTS Clock.⁸⁰⁹

WorldCom also states that the operation of the SMARTS Clock is inconsistent with the business rules because the system considers an all-day appointment to mean anytime between 8:00 a.m. and 7:00 p.m. and not 8:00 a.m. to 5:00 p.m., pursuant to the business rules.⁸¹⁰ Verizon indicates an EDI coding problem caused this result, which was corrected in July,

⁸⁰⁶ See Bell Atlantic New York Order at ¶ 282.

⁸⁰⁷ VZ-MA Application, Appdx. B, Vol. 37, Tab 455, at ¶ 107 (WorldCom Lichtenberg/Sivori Decl.).

⁸⁰⁸ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 19 (VZ-MA August OSS Aff.).

⁸⁰⁹ Id., citing KPMG Draft Final Report at § III, POP 1-6-1. See Section V.B., above, for a detailed discussion of KPMG's SMARTS Clock test.

⁸¹⁰ VZ-MA Application, Appdx. B, Vol. 37, Tab 455, at ¶ 108 (WorldCom Lichtenberg/Sivori Decl.).

2000.⁸¹¹ WorldCom has not contested VZ-MA's assertion that it implemented corrections addressing WorldCom's concerns. The Department finds that VZ-MA promptly addressed these concerns and, more importantly, KPMG has verified that the SMARTS Clock provides nondiscriminatory access to appointment dates.⁸¹²

ii. Provisioning Intervals

According to VZ-MA, a number of factors outside of its control affect the interval metrics (i.e., average offered interval, average completed interval, and percent completed within interval).⁸¹³ VZ-MA argues that these same factors were present in New York when it made its § 271 application with the FCC, and continue to be present in Massachusetts. Specifically, VZ-MA argues that it does not control the due date that is requested by the CLECs. While it offers CLECs the same intervals for the same product as it does its own retail customers, VZ-MA contends that its experience demonstrates that CLECs frequently request intervals longer than the standard interval. In recognition of the effect the longer interval can have on VZ-MA's reported average offered and completed interval measurements, it is permitted to exclude from the calculation orders where the due date is longer than the standard

⁸¹¹ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 20 (VZ-MA August OSS Aff.).

⁸¹² See Section V.B.1.g.iv, above, for a discussion of KPMG's provisioning findings.

⁸¹³ VZ-MA Application, Appdx. A, Tab 3, at ¶ 66 (Guerard/Canny Decl.).

interval or the first available SMARTS Clock appointment.⁸¹⁴

VZ-MA argues that in order for it to properly exclude orders with longer intervals from its measurements, it must rely on CLECs to code their orders accurately with an “X” – meaning the CLEC or its customer requests a due date later than that offered by VZ-MA. This reliance on CLECs to code their orders accurately will become moot once CLECs begin using LSOG-4, which will automatically put the correct code on an order.⁸¹⁵ Moreover, VZ-MA states that it has taken a number of steps to ensure that orders are coded correctly (e.g., meetings with CLECs).⁸¹⁶ The FCC has expressly recognized this measurement is sensitive to CLEC behavior, and, therefore, it has accorded “little weight to the data evidencing the average intervals in which loop installations are completed.”⁸¹⁷

Another factor affecting these metrics is the “order mix” selected by CLECs. According to VZ-MA, although it is offering CLECs the same interval for the same products it offers its retail customers, a CLEC’s average interval may appear different if the CLEC requests a substantially different mix of products than that offered by VZ-MA to its retail

⁸¹⁴ Id. at ¶¶ 66, 69-70.

⁸¹⁵ Id. See Section V.B.1.g.ii, above, for a general discussion of the effect of this miscoding.

⁸¹⁶ See VZ-MA Application, Appdx. A, Tab 3, at ¶ 76 (Guerard/Canny Decl.).

⁸¹⁷ Bell Atlantic New York Order at ¶ 285.

customers.⁸¹⁸

The record demonstrates that VZ-MA provides new loops to CLEC customers in approximately the same amount of time as it provides new loops to its retail customers. The data also show that VZ-MA's performance provisioning new loops to CLECs is improving steadily.⁸¹⁹ The Department finds persuasive VZ-MA's explanation and its data analysis described in both the Guerard and Canny declaration and its May measurements affidavit. As was the case in New York, we agree that factors outside of VZ-MA's control contribute to longer provisioning intervals on average for CLECs than for VZ-MA's retail service. Indeed, although given the opportunity throughout the proceeding, no CLEC disputed VZ-MA's contention (supported by its data and documentation) that CLECs request longer intervals and different "order mixes" than those requested by VZ-MA for its own customers.

iii. Missed Installation Appointments

The evidence also shows that VZ-MA misses fewer installation appointments for CLECs than it does for its own retail customers. The missed appointment measurement captures any orders which, because of VZ-MA's fault, were not completed by the due date to which VZ-MA

⁸¹⁸ VZ-MA Application, Appdx. A, Tab 3, at ¶ 67 (Guerard/Canny Decl.). See Sections V.B.1.g.ii, above, for a discussion of VZ-MA's "order mix" study.

⁸¹⁹ For example, from January through July, 2000, the "average completed interval" for new loops of 1-5 lines requiring a dispatch (PR-2-03), for CLECs was: 6.23, 6.33, 6.64, 4.89, 5.60, 4.94, and 5.00. The same intervals for VZ-MA's retail customers over this same period was: 3.85, 3.61, 4.60, 4.77, 4.64, 5.50, and 5.24.

committed.⁸²⁰ VZ-MA's performance data for 2000 (through July) demonstrate VZ-MA has provided better service to CLECs for every month except April (the difference for which is insignificant).⁸²¹ Unlike the interval metrics discussed above, the percent missed installation appointment is unaffected by certain CLEC-controlled factors as the "order mix" and longer requested provisioning intervals.⁸²² According to VZ-MA, this metric indicates that CLECs are receiving service when they request it.⁸²³ Therefore, we find that VZ-MA's process for meeting confirmed appointment dates is nondiscriminatory and that VZ-MA is provisioning new loops to CLECs on a timely basis.⁸²⁴

VZ-MA's loop provisioning performance is further gauged by the "average delay days" metric. According to VZ-MA, this metric captures the number of business days between the committed due date and the actual work completion date, and measures the length of the delay for missed installation appointments. The data show that for some months it took VZ-MA more time to complete CLEC loop orders after missing the committed installation due date than it did

⁸²⁰ VZ-MA Application, Appdx. A, Tab 3, at ¶ 83 (Guerard/Canny Decl.).

⁸²¹ From January through July 2000, VZ-MA missed the following percent of installation appointments for new loops requiring a dispatch (PR-4-04) for CLEC customers: 2.08%, 1.61%, 1.45%, 7.69%, 2.78%, 2.13%, and 4.65%. In contrast, over that same period, VZ-MA missed installation appointments for its own retail customers: 7.31%, 7.02%, 6.71%, 7.07%, 6.19%, 7.35%, and 7.74%.

⁸²² VZ-MA Application, Appdx. A, Tab 3, at ¶ 83 (Guerard/Canny Decl.).

⁸²³ Id.

⁸²⁴ See Bell Atlantic New York Order at ¶ 283.

to complete its retail orders.⁸²⁵ However, these data also indicate that this metric is susceptible to being skewed by the small volumes of CLEC orders. For example, only 33 CLEC orders were measured from January through July, 2000. Because so few CLEC orders were affected by VZ-MA's performance, we find that VZ-MA's performance has not impeded a CLEC's ability to compete in the local service market in Massachusetts.

iv. Installation Quality

As part of its § 271 review, the FCC considers the percentage of trouble reports filed within seven and 30 days of a loop installation to ensure a BOC is providing quality loops to CLECs.⁸²⁶ Pursuant to the C2C Guidelines, the established standard for this metric is parity.⁸²⁷ Our review of VZ-MA's performance data indicates that CLEC customers generally have fewer troubles with new loops than VZ-MA's retail customers.⁸²⁸ During the month of February

⁸²⁵ From January through July 2000, the "average delay days" (PR-4-02) for CLEC orders was: 8.43, 3.63, 2.00, 20.00, 13.25, 1.00, and 7.25. During the same period, the corresponding measurement for VZ-MA orders was: 2.84, 2.65, 2.74, 2.81, 2.70, 2.91, and 3.09.

⁸²⁶ See SBC Texas Order at ¶ 280, n.793; see also Bell Atlantic New York Order at ¶ 284.

⁸²⁷ VZ-MA Application, Appdx. A, Tab 3, at ¶ 91 (Guerard/Canny Decl.).

⁸²⁸ From January through July 2000, the percentage of reported installation troubles (PR-6-02) for CLEC loops within seven days of provisioning was: 1.81%, 4.06%, 1.16%, 1.50%, 0.74%, 0.80%, and 1.08%. During that same period, the percentage of reported installation troubles for VZ-MA retail customers was: 2.01%, 1.88%, 1.70%, 1.92%, 2.12%, 2.17%, and 1.97%. In addition, from January through July, 2000, the percentage of reported installation troubles (PR-6-01) for CLEC loops within 30 days of provisioning was: 3.62%, 10.37%, 3.58%, 4.30%, 1.80%, 1.91%, and 1.90%.

(continued...)

2000, the loops VZ-MA provided its retail customers appear to have experienced significantly fewer difficulties than the loops it provided to CLEC customers (1.88 percent compared to 4.06 percent within seven days; and 3.29 percent compared to 10.37 percent within 30 days).

However, based upon more recent data, it seems VZ-MA's performance for February was an anomaly. For those other months in which VZ-MA's retail customers experienced fewer problems than CLEC customers, we find that the difference is insignificant. Furthermore, as was the situation in New York, our record lacks evidence of conflicting data and CLECs did not raise serious disputes regarding the quality of the new voice-grade loops provisioned by VZ-MA.⁸²⁹

During the Department's investigation, WorldCom argued that VZ-MA's on-time performance for new loops was poor and that its provisioned loops are often defective. According to WorldCom, a majority of these defects were the result of an "open" condition in the central office, meaning that VZ-MA had not wired the loop to the main distribution frame.⁸³⁰ When asked to provide documentation supporting its claims, WorldCom could not.⁸³¹

⁸²⁸(...continued)

During that same period, the percentage of reported installation troubles for VZ-MA retail customers was: 3.28%, 3.29%, 2.93%, 3.36%, 3.53%, 3.68%, and 3.45%.

⁸²⁹ See Bell Atlantic New York Order at ¶ 284.

⁸³⁰ VZ-MA Application, Appdx. B, Vol. 37, Tab 455, at ¶ 41 (WorldCom Lichtenberg/Sivori Decl.).

⁸³¹ Record request 299 asked WorldCom to provide, among other things, the number of
(continued...)

Moreover, WorldCom did not raise the issue of “open conditions” in the central office at this year’s technical sessions. The Department provides little weight to WorldCom’s unsubstantiated assertions of poor loop provisioning made last year – an argument WorldCom has not raised in the approximately eight months since.⁸³²

v. IDLC Claims

AT&T and WorldCom argue that VZ-MA’s procedures for provisioning loops served by IDLC are discriminatory and demonstrate that VZ-MA has not met its obligation to open up the local market to competition.⁸³³ AT&T asserts that VZ-MA refuses to provide alternate facilities when it finds that a particular customer is served by IDLC, thus, effectively preventing CLECs from having access to a substantial segment of the market.⁸³⁴ It also argues that VZ-MA identifies the existence of IDLC too late in the provisioning process resulting in orders that are

⁸³¹(...continued)

orders where defects on loops were found and were the result of open conditions in the central office. WorldCom responded that it does not track these data.

⁸³² See Section V.B.1.g.iv, above, for a discussion of KPMG’s loop provisioning test results.

⁸³³ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 35-36 (AT&T July Supplemental Comments); VZ-MA Application, Appdx. B, Vol. 37, Tab 455, at 11-14 (WorldCom Lichtenberg/Kinard/Drake Decl.).

⁸³⁴ VZ-MA Application, Appdx. B, Vol. 38, Tab 460, at 35-36 (AT&T July Supplemental Comments).

“held” and which go “past due.”⁸³⁵ WorldCom contends that rather than providing unbundled access to loops served by IDLC technology, VZ-MA reassigns the customer to either copper or universal digital loop carrier (“UDLC”). According to WorldCom, this practice is discriminatory because IDLC loops transmit data faster and experience less interference than either copper or UDLC loops. WorldCom also argues that VZ-MA refuses to make available to CLECs technology (e.g., GR-303) that would enable VZ-MA to unbundle IDLC loops.⁸³⁶

In response to AT&T’s claims that IDLC loops hinder a CLEC’s ability to serve certain customers, VZ-MA responds that it first looks for alternate facilities (i.e., copper or UDLC loops). If such facilities are unavailable, VZ-MA undertakes special construction, as set forth in its interconnection agreements, to provision such facilities. Moreover, in lieu of special construction, VZ-MA permits CLECs to use VZ-MA’s UNE-P offering to provide service to customers served by IDLC loops, to collocate at VZ-MA’s remote terminals, or to interconnect at the feeder distribution interface.⁸³⁷

⁸³⁵ VZ-MA Application, Appdx. B, Vol. 46, Tab 533, at 4518 (Transcript of Technical Session Held 8/21/00).

⁸³⁶ VZ-MA Application, Appdx. B, Vol. 37, Tab 455 at 11-13 (WorldCom Lichtenberg/Kinard/Drake Decl.). GR-303 is a next generation DLC technology that allows the unbundling of IDLC loops. Id. at 28-29, citing MCI WorldCom White Paper, Unbundling Digital Loop Carriers (March 1999). The FCC reviewed this “White Paper” and concluded that despite the future potential, the capability provided by this technology does not now substantially reduce the CLECs’ need to pick up IDLC customers’ traffic before it is multiplexed. See UNE Remand Order at ¶ 217 n.417.

⁸³⁷ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 129 (VZ-MA August Checklist (continued...))

According to VZ-MA, contrary to WorldCom's claims about the technical feasibility of unbundling IDLC loops at the DS1 level, VZ-MA responds that, to date, no ILEC performs such unbundling and, in fact, no interface or equipment that currently exists, including GR-303, is capable of performing this function. VZ-MA also argues that WorldCom has failed to respond to technical questions VZ-MA asked it last year on this subject.⁸³⁸ As for WorldCom's degradation claim, VZ-MA states that the transmission characteristics of loops are variable and transmission performance is affected by several factors (e.g., the number and type of connections from the customer's serving central office switch throughout the rest of the network, the customer's modem equipment, and equipment used by the Internet service provider).⁸³⁹

The Department asked WorldCom to provide documentation to support its claims of service degradation experienced by WorldCom customers in Massachusetts who had been migrated from IDLC to either copper or UDLC loops.⁸⁴⁰ WorldCom responded that it could not. Rather, it argued that "whether or not any existing WorldCom customer has complained to

⁸³⁷(...continued)
Aff.).

⁸³⁸ Id. at ¶¶ 120-123.

⁸³⁹ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 235-236 (VZ-MA May Checklist Aff.).

⁸⁴⁰ See VZ-MA Application, Appdx. B, Vol. 41, Tab 488 (WorldCom Response to DTE-WCOM-8).

WorldCom about degraded service to date does not in any way negate the fact that migration of a customer from IDLC to copper facilities can result in the customer experiencing noticeable degradation [in service]”⁸⁴¹ The Department finds persuasive VZ-MA’s explanation about factors affecting the transmission speed and quality over loops, and we note that WorldCom has not challenged VZ-MA’s response on this point. Hypothetical concerns about transmission speeds and quality are not sufficient for the Department to find that VZ-MA’s practice of migrating IDLC-served customers to UDLC or copper is discriminatory or otherwise demonstrates VZ-MA’s non-compliance with the requirements of this checklist item.

When asked to provide documentation supporting its statement that WorldCom has been unable to obtain alternate facilities in Massachusetts and has been quoted exorbitant charges to construct new facilities, WorldCom provided a copy of an e-mail exchange between WorldCom and VZ-MA where VZ-MA indicated that it would not charge WorldCom the special construction charges necessary for WorldCom to provide service to a customer in Southboro, Massachusetts -- a response that in fact undermines WorldCom’s claim. Additionally, VZ-MA states that for the other two Massachusetts facilities listed in the e-mail (involving optical remote modules), WorldCom misunderstands VZ-MA’s quote.⁸⁴² We note that WorldCom has not disagreed with VZ-MA’s explanation on this point.

⁸⁴¹ Id. (emphasis added).

⁸⁴² See VZ-MA Application, Appdx. B, Vol. 28, Tab 357, att. 1 (WorldCom’s Response to RR-224); see also VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 233, 240-245 (VZ-MA May Checklist Aff.).

In response to a request to provide information in support of its claims that VZ-MA failed to identify the presence of IDLC in a timely fashion, AT&T directed the Department to a record request response.⁸⁴³ Moreover, we note that AT&T's claim is similar to that raised by WorldCom last year in this proceeding, in which WorldCom argued that VZ-MA failed to verify the existence of IDLC before sending the LSRC, causing the postponement of the cutover.⁸⁴⁴ When asked to provide documentation to support its claim of the alleged late IDLC facilities check by VZ-MA, WorldCom indicated that it does not track these data.⁸⁴⁵

b. Maintenance and Repair of Voice-Grade Loops

We find that, for the reasons discussed below, VZ-MA provides maintenance and repair functions for unbundled, voice-grade local loops in substantially the same time and manner as it provides those functions to its retail customers. In its analysis of SWBT's loop maintenance and repair performance, the FCC compared the rates of missed repair appointments ("MRA"),

⁸⁴³ See RR-289. **Begin Proprietary *****

***** End Proprietary.**

⁸⁴⁴ VZ-MA Application, Appdx. B, Vol. 18, Tab 220, at ¶¶ 58, 61 (WorldCom November Lichtenberg/Sivori Decl.).

⁸⁴⁵ VZ-MA Application, Appdx. B, Vol. 28, Tab 357 (WorldCom Response to RR-300).

average or mean time to repair ("MTTR"), and repeat trouble reports.⁸⁴⁶ The FCC reviewed these metrics for BA-NY's section 271 application as well.⁸⁴⁷

A cursory review of the data would suggest that VZ-MA is providing discriminatory treatment to CLECs; however, a more thorough analysis reveals that the data are negatively affected by CLEC behavior. The data show that VZ-MA missed approximately twice as many repair appointments for CLEC customers as for its retail customers.⁸⁴⁸ According to VZ-MA, there are a number of reasons for this disparity -- none of which was refuted by CLECs during technical sessions nor in their written comments. Beginning in April, 2000, VZ-MA offered CLECs Saturday repair appointments, which were already available to VZ-MA's retail customers. If a CLEC declined the Saturday appointment on behalf of its customer, VZ-MA's employees would count this declination as a "miss."⁸⁴⁹ For example, in June, CLECs reported 13 percent of UNE POTS troubles on a Friday. VZ-MA offered these CLECs Saturday repair appointments, which the CLECs rejected 55 percent of the time (preferring a Monday repair

⁸⁴⁶ SBC Texas Order at ¶ 281.

⁸⁴⁷ See Bell Atlantic New York Order at ¶¶ 311-313.

⁸⁴⁸ From January through July 2000, VZ-MA missed the following percentage of repair appointments for CLEC customers: 21.31%, 28.05%, 19.08%, 19.07%, 22.61%, 23.66%, and 26.94%. During this same period of time, VZ-MA missed the following percentage of repair appointments for its retail customers: 10.17%, 12.00%, 9.97%, 8.91%, 11.27%, 11.41%, and 11.72%.

⁸⁴⁹ VZ-MA Application, Appdx. A, Tab 1, at ¶¶ 73, 75 (Lacouture/Ruesterholz Decl.); VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 136 (VZ-MA August Checklist Aff.).

appointment). VZ-MA erroneously reported the originally offered (and CLEC rejected) Saturday appointments as “misses.”⁸⁵⁰ Unless manually overwritten to specify the later, requested appointment date, VZ-MA’s performance on Monday was scored as a “missed appointment.”⁸⁵¹ In addition, VZ-MA states that its systems are set up to dispatch automatically on the commitment date.⁸⁵² Therefore, according to VZ-MA, its technicians would likely encounter a “no access” situation on the Saturday dispatch. VZ-MA states that this erroneous dispatch is not an efficient use of VZ-MA’s resources and inflates its “no access” results.⁸⁵³

According to VZ-MA, because the overwhelming majority of its customers accept offered Saturday appointments (more than 90 percent accepted weekend appointment during this same period), VZ-MA explains that this difference is recorded as a “great dissimilarity” in the MTTR and the “out of service more than 24 hours” (“OOS > 24”) measurements between wholesale and retail customers (see below for a discussion of these two metrics), in addition to

⁸⁵⁰ VZ-MA Application, Appdx. A, Tab 1, at ¶ 73 (Lacouture/Ruesterholz Decl.); VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 135 (VZ-MA August Checklist Aff.).

⁸⁵¹ See VZ-MA Application, Appdx. B, Vol. 34a-b, Tab 443 (VZ-MA’s Response to DTE-VZ-5-22).

⁸⁵² VZ-MA Application, Appdx. A, Tab 1, at ¶ 75 (Lacouture/Ruesterholz Decl.)

⁸⁵³ Id.

adversely affecting the MRA.⁸⁵⁴ VZ-MA indicates that this initial false scoring of “Saturday missed” due dates has been corrected since its August 2000 filing.⁸⁵⁵

VZ-MA also argues that the RCMC has been providing CLECs with short repair appointments (e.g., in April 2000, 15 percent of the UNE missed appointments had an “exceptional” mean time to repair of less than four hours). Thus, the troubles are resolved faster, but VZ-MA’s field personnel are not provided as much time to “honor the appointment.”⁸⁵⁶ According to VZ-MA, when the MRA is adjusted to account for the expedited repair requests and the rejected Saturday appointments, discussed above, the MRA for CLECs is superior than for VZ-MA in May, and the differences between retail and wholesale are halved for June and July.⁸⁵⁷ VZ-MA also contends that because the number of trouble reports is so small (e.g., 215 reports in April, 283 reports in May, 317 reports in June, and 245 in July), VZ-MA’s performance is subject to wide variations.⁸⁵⁸

⁸⁵⁴ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 135 (VZ-MA August Checklist Aff.).

⁸⁵⁵ Id. at ¶ 136.

⁸⁵⁶ VZ-MA Application, Appdx. A, Tab 1, at ¶ 76 (Lacouture/Ruesterholz Decl.); VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 137 (VZ-MA August Checklist Aff.).

⁸⁵⁷ VZ-MA Application, Appdx. A, Tab 1, at ¶ 77 (Lacouture/Ruesterholz Decl.), citing Att. H.

⁸⁵⁸ VZ-MA Application, Appdx. B, Vol 32a-b, Tab 424, at ¶ 249 (VZ-MA May Checklist Aff.).

VZ-MA argues that the most significant factor contributing to the disparity between VZ-MA's maintenance performance for its retail customers and its performance for CLECs is the CLECs' failure to isolate accurately a trouble location prior to submitting a repair request (i.e., the trouble is actually in the CLEC's network or the end-user's equipment, or in a different part of VZ-MA's network).⁸⁵⁹ CLECs' failure to do so results in misdirected trouble reports, which causes VZ-MA to dispatch its technicians multiple times. According to VZ-MA, once the actual trouble location is identified and addressed, an "MRA is experienced for the loop."⁸⁶⁰ VZ-MA contends that the CLECs' failure to isolate trouble locations also affects VZ-MA's MTTR metric. When VZ-MA controls for misdirected dispatches, it argues its performance is at parity.⁸⁶¹ Specifically, VZ-MA reviewed data from May through July, 2000, and found that almost 60 percent of CLEC repair requests were not correctly isolated. This amounts to over 600 "wasted" dispatches, according to VZ-MA.⁸⁶² VZ-MA argues that had it been able to avoid just 50 of those dispatches for June and July and, instead, send those technicians to actual troubles, its MRA results for CLECs would have matched the MRA results for VZ-MA.⁸⁶³

⁸⁵⁹ VZ-MA Application, Appdx. A, Tab 1, at ¶ 78 (Lacouture/Ruesterholz Decl.).

⁸⁶⁰ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 251-253 (VZ-MA May Checklist Aff.).

⁸⁶¹ VZ-MA Application, Appdx. A, Tab 1, at ¶ 78 (Lacouture/Ruesterholz Decl.).

⁸⁶² Id., citing Att. I.

⁸⁶³ Id.

VZ-MA has also provided information about the MTTR metric. This performance measurement, adopted from the C2C Guidelines, captures the time, in hours, from receipt of a trouble report until it is cleared. According to VZ-MA, for POTS services, the duration is measured on a “running clock” basis, which includes weekends and holidays.⁸⁶⁴ We find that, based upon VZ-MA’s data, its performance with respect to CLEC customers is improving.⁸⁶⁵ As was the situation with the MRA metric, discussed above, VZ-MA’s ability to provide CLEC customers with the same level of performance as its own retail customers (as reflected in its performance data) is affected by several factors, many of them CLEC-induced, outside of VZ-MA’s control. Accordingly, we accord less weight to these measurements than for VZ-MA’s other loop performance data.

In particular, VZ-MA argues that the small number of trouble reports can skew VZ-MA’s performance with respect to CLEC customers.⁸⁶⁶ The MTTR metric is also sensitive to the CLECs’ failure to locate troubles accurately.⁸⁶⁷ In support of this assertion, VZ-MA notes

⁸⁶⁴ VZ-MA Application, Appdx. A, Tab 3, at ¶ 100 (Guerard/Canny Decl.).

⁸⁶⁵ VZ-MA’s MTTR performance (MR-4-01) for CLEC customers from January through July, 2000, was: 36.12, 41.27, 31.57, 25.32, 23.43, 24.62, and 26.57. The same metric for VZ-MA’s retail customers over the same period was: 16.85, 19.52, 17.65, 19.15, 18.23, 20.27, and 20.43.

⁸⁶⁶ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶ 249 (VZ-MA May Checklist Aff.).

⁸⁶⁷ VZ-MA Application, Appdx. A, Tab 1, at ¶ 78 (Lacouture/Ruesterholz Decl.); VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 251-253 (VZ-MA May

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that from January through March 2000, half of all reported CLEC troubles were closed as NTF.⁸⁶⁸ According to VZ-MA, the CLEC is responsible for testing its UNE loops and for providing information from its test results to VZ-MA's RCMC as to the location and type of trouble. As was mentioned earlier, the failure of CLECs to isolate troubles on UNE loops adversely affects VZ-MA's performance. Even when appropriately dispatched by a CLEC, VZ-MA states that its technicians experience greater difficulty in locating, diagnosing, and repairing CLEC-reported troubles because they lack the information that is generally available to them on retail troubles (e.g., tracking and repairing a metallic fault is a different repair procedure than clearing an open circuit).⁸⁶⁹

According to VZ-MA, it resolves or "closes" approximately half of its retail trouble reports with a determination of a problem with customer provided equipment ("CPE") or NTF.⁸⁷⁰ VZ-MA says this level of trouble reports closed to CPE or NTF is similar to that experienced by CLECs with substantial volumes. However, unlike CLECs, VZ-MA expects to resolve a substantial number of troubles attributable to a CPE, usually after an MLT test and

⁸⁶⁷(...continued)

Checklist Aff.).

⁸⁶⁸ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶ 253 (VZ-MA May Checklist Aff.).

⁸⁶⁹ VZ-MA Application, Appdx. B, Vol. 32a-b, Tab 423, at ¶¶ 251-252 (VZ-MA May Checklist Aff.).

⁸⁷⁰ See VZ-MA Application, Appdx. B, Vol. 34a-b, Tab 443 (VZ-MA's Response to DTE-VZ-5-20.).

some interactive testing with the customer. VZ-MA states that many of these troubles are never dispatched but are resolved with the customer over the phone.⁸⁷¹

VZ-MA asserts that it would have expected similar troubleshooting by CLECs and their customers and that CLECs would have only called VZ-MA with troubles likely to be in the VZ-MA network. However, more than half of all the trouble reports that VZ-MA receives from CLECs are closed as NTF and less than 10 percent of the initial NTF results generate a repeat report that ultimately results in a found trouble in VZ-MA's network.⁸⁷² According to VZ-MA, in most cases, once VZ-MA communicates an "NTF" to the CLEC, there is no further VZ-MA trouble report activity on that circuit. In these circumstances, there is no indication what the actual trouble resolution was or why VZ-MA had to be involved. The Department agrees with VZ-MA that these unnecessary dispatches consume VZ-MA's resources better directed elsewhere and skew the MTTR metric, causing VZ-MA's performance with respect to repairing its retail customers' loop troubles to appear superior to its performance repairing CLEC customers' loop troubles when in fact it is not superior.⁸⁷³

As was the case with the MRA metric, VZ-MA's incorrect scoring of CLEC-rejected Saturday repair appointments inflated the results of the MTTR metric, beginning in April

⁸⁷¹ Id.

⁸⁷² Id.

⁸⁷³ Id.; VZ-MA Application, Appdx. A, Tab 1, at ¶ 78, Att. I (Lacouture/Ruesterholz Decl.).

2000.⁸⁷⁴ According to VZ-MA, this phenomenon is the “remaining obstacle to achieving equivalence between MTTR results for retail and UNE POTS customers”⁸⁷⁵ VZ-MA explains that the difference in MTTR results between retail and UNE POTS loops is now mainly due to the inclusion of up to 48 hours of weekend time for each CLEC customer who requests a Monday appointment.⁸⁷⁶ In fact, when VZ-MA adjusted the May through July 2000 results to account for the CLECs’ business practice of rejecting weekend appointments, VZ-MA’s MTTR performance improves by an average of four hours and the OOS > 24 metric (discussed below) for CLECs “falls in line” with those of retail.⁸⁷⁷

Further, Verizon’s RCMC personnel made the administrative error of using “now time” as the time the actual trouble report was cleared, rather than the time the trouble was cleared, as noted by the technician. VZ-MA argues that this mistake always runs the “risk of adding administrative time to the total trouble duration” but that this administrative error was

⁸⁷⁴ VZ-MA Application, Appdx. A, Tab 1, at ¶ 73 (Lacouture/Ruesterholz Decl.); VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶¶ 134-135 (VZ-MA August Checklist Aff.).

⁸⁷⁵ See VZ-MA Application, Appdx. B, Vol. 34a-b, Tab 443 (VZ-MA’s Response to DTE-VZ-5-22).

⁸⁷⁶ Id.

⁸⁷⁷ VZ-MA Application, Appdx. A, Tab 1, at ¶ 74 (Lacouture/Ruesterholz Decl.), citing Att. G.

corrected.⁸⁷⁸

According to VZ-MA, the OOS > 24 hours metric is defined as a customer without dial tone for over 24 hours, which begins on initial contact with the customer when it is determined that the circuit is completely out of service. For POTS, this is measured "OOS" for more than 4, 12 and 24 hours, and for unbundled loops, VZ-MA measures OOS for more than 12 and 24 hours.⁸⁷⁹ Based upon a review of VZ-MA's data for this metric, we find VZ-MA's performance is improving,⁸⁸⁰ and also agree that factors beyond VZ-MA's control adversely affect this metric, like other maintenance measures mentioned above.

VZ-MA also records the number of troubles reported that are found in VZ-MA's network per 100 lines in service. For POTS, it further disaggregates this measurement between troubles found in the loop (i.e., drop wire or outside plant) and the central office. These measurements show that CLECs experience on average a similar level of troubles with VZ-MA's network as VZ-MA does.⁸⁸¹ VZ-MA's data also measure the quality of its maintenance

⁸⁷⁸ VZ-MA Application, Appdx. B, Vol. 42, Tab 494, at ¶ 137 (VZ-MA August Checklist Aff.).

⁸⁷⁹ VZ-MA Application, Appdx. A, Tab 3, at ¶ 102 (Guerard/Canny Decl.).

⁸⁸⁰ From January through July 2000, the percentage of loops OOS > 24 (MR-4-08) for CLECs was: 40.96%, 46.45%, 47.20%, 34.18%, 31.96%, 35.66%, and 31.82%. During that same period, the percentage of OOS > 24 for VZ-MA was: 21.13%, 28.70%, 23.18%, 26.95%, 24.17%, 30.45%, and 30.67%.

⁸⁸¹ From January through July 2000, the percentage of network trouble report rate for loops for CLECs was: 1.41%, 1.76%, 0.54%, 1.11%, 1.30%, 1.29%, and 0.88%.

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and repair by measuring the percent of reported troubles cleared that have another trouble reported within 30 days where the later trouble is found to be in VZ-MA's network.⁸⁸² VZ-MA's data for this metric also show parity.⁸⁸³

c. Conclusions

VZ-MA's data demonstrate that VZ-MA is meeting the stringent standards set forth in the C2C Guidelines for UNE loops.⁸⁸⁴ Where VZ-MA's data indicate that its performance is not consistent with those Guidelines, VZ-MA has provided explanations to account for its performance -- explanations that have not been contested by CLECs in our proceeding. In particular, we agree with VZ-MA that factors beyond VZ-MA's control adversely affect its performance for several maintenance-related metrics.

VZ-MA first noted several of these factors (e.g., CLEC failure to isolate accurately the source of a trouble, skewed results because of small number of orders) in its May 2000 filing.

⁸⁸¹(...continued)

During the same period, VZ-MA's reported rate for its loops was: 0.89%, 0.99%, 1.11%, 1.13%, 1.25%, 1.39%, and 1.23%.

⁸⁸² VZ-MA Application, Appdx. A, Tab 3, at ¶ 106 (Guerard/Canny Decl.).

⁸⁸³ From January through July 2000, the percentage of repeat trouble reports within 30 days for CLECs was: 19.62%, 16.61%, 10.93%, 14.17%, 16.45%, 16.53%, and 14.29%. VZ-MA's retail performance during the same period was: 18.64%, 18.88%, 19.50%, 18.41%, 19.08%, 18.70%, and 19.43%.

⁸⁸⁴ As mentioned above, KPMG verified VZ-MA's ability to accurately capture and report the C2C Guidelines performance measurements. See Section V.B.1.g.iv, above for a discussion of KPMG's test.

In the three and a half months since that filing and VZ-MA's filing with the FCC, no CLEC contested VZ-MA's assertions. In fact, other than the IDLC claims discussed above, no CLEC disputed VZ-MA's loop provisioning and maintenance performance since the 1999 technical sessions. As was mentioned earlier, WorldCom made several unsupported loop claims last year but was unable to provide documentation to substantiate those claims of poor VZ-MA performance and has not pursued the matter this year before the Department. In addition, as we found above, the Department agrees that VZ-MA's interval metrics (e.g., average interval offered, average completed interval) are affected by business decisions made by CLECs and should be provided less weight. We note that this view is consistent with the FCC's Bell Atlantic New York Order.⁸⁸⁵

4. Hot Cuts

Simply stated, the hot cut process is designed to move an in-service loop from VZ-MA's switch to a CLEC's switch. VZ-MA and CLECs must coordinate a number of steps that result in the customer being without service for no more than five minutes.⁸⁸⁶ As mentioned above, for purposes of evaluating VZ-MA's § 271 Compliance Filing, the Department adopted the performance measurements set forth in the C2C Guidelines. Because there is no retail analog to

⁸⁸⁵ See Bell Atlantic New York Order at ¶ 285 (providing "little weight to the data evidencing the average intervals in which loop installations are completed.").

⁸⁸⁶ VZ-MA Application, Appdx. A, Tab 1, at ¶¶ 81-82 (Lacouture/Ruesterholz Decl.).